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PARAMOUNT FACILITY Alt Air Paramount, LLC 14700 Downey Avenue Paramount, CA 90723 p: 562.531.2060 (main) e: info@worldenergy.net September 19, 2023

Rajinder Sahota, Deputy Executive Officer Climate Change & Research California Air Resources Board 1001 I Street Sacramento, CA 95814

RE: Comments on the September 5, 2023, Senate Bill (SB) 1075 Joint Agency Kickoff Workshop

Dear Ms. Sahota:

World Energy would like to thank the Air Resources Board, Energy Commission, Public Utilities Commission, and GO-Biz for their presentations during the September 5, 2023, SB 1075 Joint Agency Kickoff Workshop, and for the opportunity to provide written comments. We are encouraged to see the early collaboration between the state agencies to commence the SB 1075 process. These streamlined efforts will be crucial to developing a comprehensive report around hydrogen development, deployment, and use in California.

World Energy is one of the largest and longest-serving advanced clean energy suppliers in North America. It is one of the country's largest producers of renewable diesel. World Energy was the first commercial producer of sustainable aviation fuel (SAF) produced at our facility in Paramount, CA. Our Paramount facility is also in the final stages of conversion from a petroleum refinery to a 100% renewable fuels biorefinery.

World Energy will continue its leadership in providing clean energy produced in California through our on-site hydrogen production plans at our Paramount facility and collaborating with the ARCHES consortium. Our facility in Paramount and the affiliated infrastructure will enable us to



efficiently transport hydrogen to end markets. In the near-term, World Energy will be producing low-carbon hydrogen with low- to zero-carbon intensity (Cl). Specifically, World Energy's hydrogen production will consist of a biogenic steam methane reformed (SMR) process using internal biogenic off-gas—such as biomethane, bioethane, and biopropane—and power purchase agreements for new, additional energy to produce zero-Cl hydrogen. Beginning in 2025, our hydrogen production will be enough to support our own renewable fuel production needs and additionally fuel about 2,000 Class-8 Trucks. Through this initial production, we hope that customer demand will start to increase and prove the market for affordable, low- to zero-Cl hydrogen. If successful, this market signal will serve as an important indicator for ongoing investments in lowering the Cl of our hydrogen and increasing the volumes produced. World Energy also has plans for new, additional renewable energy investments to further support moving towards our goal of producing the lowest-Cl hydrogen possible.

World Energy supports the inclusion of low-CI hydrogen as the agencies work to develop the SB 1075 Report. We have been encouraged to see the state's current and ongoing hydrogen efforts include and recognize the benefits of low-CI hydrogen. The immediate use of low-CI hydrogen will be crucial to achieving California's decarbonization goals. Hydrogen has powerful energy density and is non-toxic, making it safer to handle and uniquely qualifies it as a solution to bring carbon reductions in hard-to-abate sectors like industrial, medium- and heavy-duty transportation, marine, aviation, and ports. Currently, renewable feedstocks and SMR-based hydrogen are the most economically feasible for scaling up production. While carbon-free hydrogen will be the ultimate goal, we would like to reiterate the sentiments of staff and some commenters that low-CI hydrogen will be a strong near-term solution for decarbonization benefits. World Energy appreciates that CARB acknowledges the arc of investment and development that will go into hydrogen. We are investing dollars in low-CI hydrogen today in California, while also investing in the green hydrogen of tomorrow in Newfoundland.

World Energy would like to thank the agencies for their work in organizing and commencing collaboration on the SB 1075 process. We look forward to continuing our engagement and providing feedback during the development of the SB 1075 Report.

Sincerely,

Joe Ran Vice President, Business Development and Innovation